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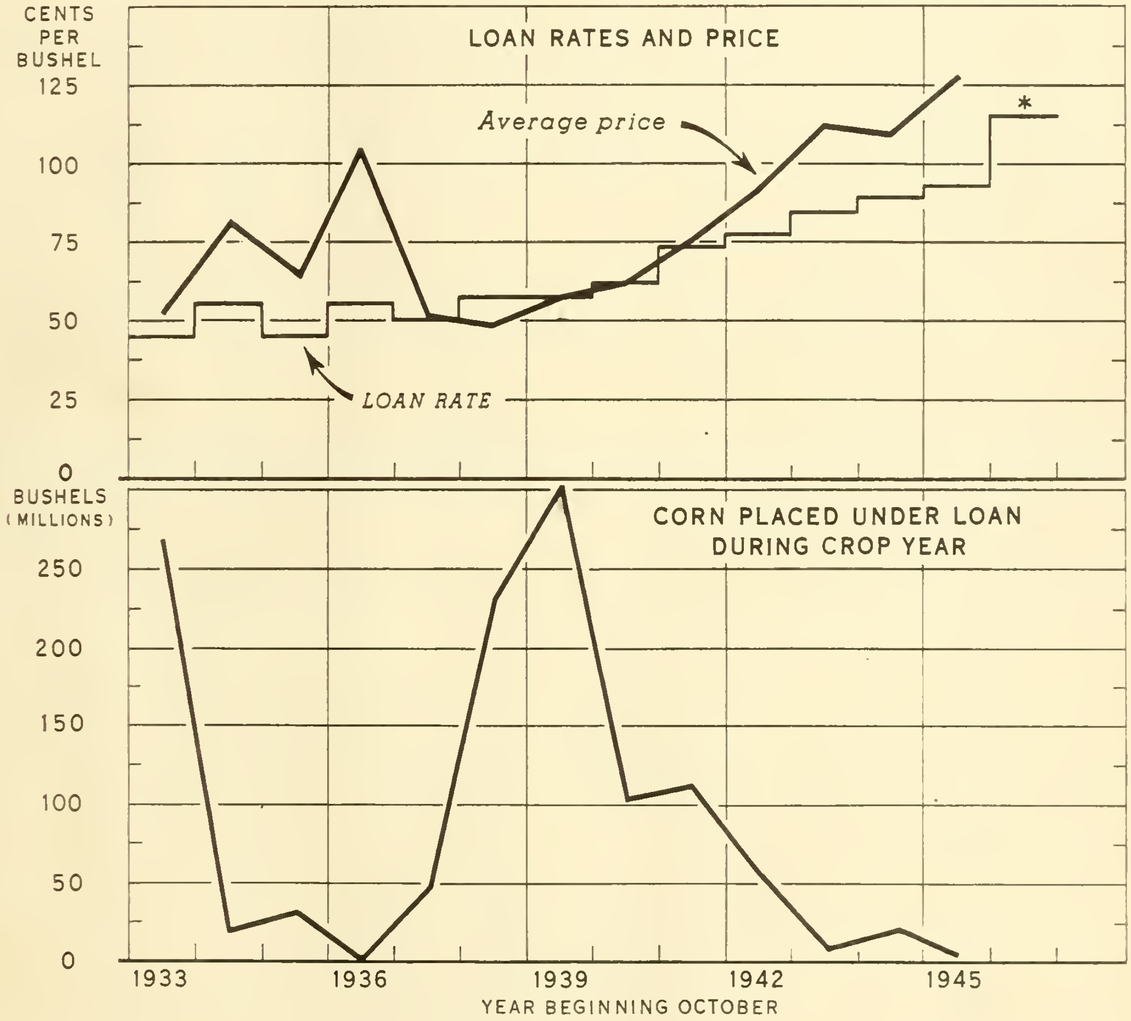
THE *Feed* SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FDS - 84 BAE OCTOBER 1946

CORN: GOVERNMENT LOAN RATES, QUANTITIES PLACED UNDER LOAN, AND AVERAGE PRICES RECEIVED BY FARMERS, UNITED STATES, 1933-46



* *90 PERCENT OF PARITY ON SEPTEMBER 15*

U. S. DEPARTMENT OF AGRICULTURE NEG. 46207 BUREAU OF AGRICULTURAL ECONOMICS

The quantity of corn placed under loan is determined largely by the relationship of corn prices to Government loan rates. The farmers' price for corn has been well above the loan rate in recent years and very little corn has been placed under loan. Corn prices during 1946-47 are expected to be nearer the loan rate than in any of the past three seasons. Quantities of corn placed under loan probably will be larger than in any of the past four years, and may exceed that of any year since 1939-40.

Table 1.- Statistical Summary

Item	Unit	1944		1945		1946	
		Aug.	Sept.	Aug.	Sept.	Aug.	Sept.
		Cents	Cents	Cents	Cents	Cents	Cents
Grains and Hay							
Corn, No. 3 Yellow, Chicago	Bushel	115.5	115.5	118.0	118.0	193.1	189.4
Price received by farmers, U. S.	"	117.0	116.0	113.0	112.0	180.0	173.0
Oats, No. 3 White, Chicago	"	73.0	64.4	61.7	62.7	77.7	81.0
No. 3 White, Minneapolis	"	68.9	58.7	57.7	58.8	74.8	77.0
Price received by farmers, U. S.	"	70.8	64.2	58.9	58.3	73.4	74.7
Barley, No. 3, Minneapolis	"	123.4	112.2	113.9	118.7	160.9	166.7
Price received by farmers, U. S.	"	103.0	95.3	98.7	97.4	130.0	134.0
Grain sorghums, price received by farmers, U. S.	100 pounds	203.0	174.0	207.0	206.0	276.0	258.0
Wheat, No. 2 Hard Winter, Kansas City	Bushel	150.8	153.0	159.8	162.1	193.8	196.0
Rye, No. 2, Minneapolis	"	112.1	103.1	144.2	151.3	195.2	223.5
		Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Hay, No. 1 Alfalfa, Kansas City	Ton	23.00	26.00	23.00	23.50	29.40	31.00
Price received by farmers, U. S.	"	14.30	14.70	14.60	14.30	15.10	15.40
Byproduct Feeds (bagged)							
Standard bran, Minneapolis	Ton	37.75	37.75	37.75	37.75	51.05	47.75
Chicago	"	39.80	39.80	39.80	39.80	54.90	49.30
Buffalo	"	41.55	41.55	41.55	41.55	57.10	51.15
Standard middlings, Minneapolis	"	37.75	37.75	37.75	37.75	51.80	47.75
Chicago	"	39.80	39.80	39.80	39.80	56.25	49.70
Buffalo	"	41.55	41.55	41.55	41.55	59.50	51.75
Cottonseed meal, 41 pct. protein, Memphis	"	48.50	48.50	48.75	48.75	95.00	62.75
Linseed meal, 32 pct. protein, Minneapolis	"	1/45.50	1/45.50	45.50	45.50	84.50	59.25
30 pct. protein, San Francisco	"	47.00	47.00	47.25	47.25	84.95	61.25
Soybean meal, 41 pct. protein, Chicago	"	51.90	52.00	52.00	52.00	93.15	66.00
Peanut meal, 45 pct. protein, S.E. milling points.	"	53.00	53.00	53.00	53.00	67.25	67.25
White hominy feed, Chicago	"	49.40	48.70	48.95	49.00	66.90	60.00
Gluten feed, 23 pct. protein, Chicago	"	41.50	41.50	41.25	41.25	69.40	55.25
Tankage, digester, 60 pct. protein, Chicago	"	2/74.55	2/74.55	2/74.55	2/74.55	108.45	84.30
Meat scraps, Chicago	"	2/73.50	2/73.50	2/73.50	2/73.50	108.60	83.25
Fish meal, San Francisco	"	79.50	79.50	79.50	79.50	89.50	89.50
Alfalfa meal, No. 1 fine, Kansas City	"	44.80	44.80	44.70	44.70	43.85	42.00
Mixed dairy feed, 16 pct. protein, price paid by farmers, U. S.	100 pounds	2.99	2.96	2.90	2.91	3.93	3.78
Laying mash, price paid by farmers, U. S.	"	3.64	3.62	3.61	3.62	4.72	4.56

INDEX NUMBERS OF PRICES

		Percent	Percent	Percent	Percent	Percent	Percent
Feed grains, U. S.	1910-14=100	180	175	169	167	255	248
Ten principal high-protein feeds, terminal markets.	1935-39=100	166	166	166	166	286	208
Four oilseed meals	"	166	166	166	166	307	212
Tankage, meat scraps, and fish meal	"	166	166	166	166	221	187
Gluten feed, brewers' dried grains, and distillers' dried grains	"	168	168	166	166	272	223

LIVESTOCK-FEED PRICE RATIOS 3/

Hog-corn, Chicago	Bushel	12.4	12.5	12.3	12.3	10.8	8.6
Hog-corn, U. S. farm prices	"	11.5	11.7	12.4	12.6	11.6	9.1
Beef steer-corn, Chicago	"	13.9	13.7	13.9	14.1	11.2	9.5
Butterfat-feed, U. S. 4/	Pound	23.2	25.7	27.3	27.9	22.7	25.7
Milk-feed, U. S. 4/	"	1.31	1.45	1.36	1.39	1.17	1.31
Egg-feed, U. S.	"	11.1	12.2	14.0	13.5	10.0	11.7

Prices compiled from Chicago Journal of Commerce, Minneapolis Daily Market Record, Kansas City Grain Market Review, and reports of the Grain Branch, Production and Marketing Administration, and the Bureau of Agricultural Economics.

1/ 34 percent protein. 2/ Processors' price at Chicago plus allowance for bags. 3/ Units of corn or other concentrate ration equal in value to 100 pounds of hog or beef-steer, pounds of butterfat or milk, or dozen eggs.
4/ Includes dairy production payments only through June 30, 1946.

THE FEED SITUATION

Approved by the Outlook and Situation Board, October 28, 1946

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SUMMARY

Removal of price controls on practically all feeds which had not previously been decontrolled,(primarily byproduct feeds and commercial mixed feeds), will result in higher prices for most of these feeds, at least for a few months. Feed grain prices, which have not been controlled since June, probably will not be influenced greatly by the termination of price controls on livestock and other feeds.

Removal of price controls on livestock and meat may slightly reduce feed requirements during the first half of the feeding season. Livestock production, especially hog production, may increase in response to higher prices, and this would increase feed requirements during the second half of the 1946-47 feeding year (October-September). Termination of War Food Orders No. 145 (feed grains), and No. 9 (protein feeds) and the modification of WFO-144 (wheat) will result in increased use of feed grains and byproduct feeds in mixed feeds and processing.

Favorable conditions during September and early October virtually assure large feed supplies for 1946-47. The corn crop this year is of record size and is of much better quality than the 1945 crop. Oats production this year is only slightly smaller than the record large crop produced last year, and the quality is also good. The 1946 barley crop is the smallest since 1937, 3 percent smaller than last year, but the quality is better than usual. Sorghum grain production was estimated on October 1 to be 8 percent smaller than the 1945 crop.

The larger crop of corn was partly offset by the smaller corn carry-over on October 1. Farm and terminal market stocks of old-crop corn on October 1, at only 163 million bushels, were the smallest since 1937, 144 million bushels less than on October 1, 1945.

Feed grain supplies on October 1, including the carry-over of corn plus 1946 production, sorghum grain production, and October 1 stocks of oats and barley, were 2.5 percent larger than on October 1, 1945. All of the increase was accounted for by corn. Estimated corn supplies were 212 million bushels larger than in 1945; sorghum grain production was indicated to be 7 million bushels smaller; oats stocks were 143 million bushels smaller; and barley stocks were 16 million bushels smaller.

During July-September domestic disappearance of corn was 18 percent smaller than a year earlier, an indication of the small supplies of corn and Government restrictions on corn utilization. Disappearance of barley during the quarter also was down. It was 13 percent smaller than that of a year earlier, partly as the result of the smaller crop and carry-over this year, and partly because of governmental restrictions on the use of grain by brewers and distillers. But disappearance of oats during the summer quarter was 43 percent greater than a year earlier, and more than 50 percent above the 1940-44 average for that quarter.

Production of the principal kinds of byproduct feeds during the first 11 months of the 1945-46 season beginning October was 10.5 percent smaller, in total, than for the first 11 months of 1944-45. Output of grain mill-byproduct feeds was down almost a fifth, and oilseed cake and meal was down 3 percent.

Distribution of the 4 principal oilseed cakes and meals during July-September totaled more than a million tons, but was 22 percent less than during the corresponding quarter of 1945, chiefly as a result of reduced supplies of cottonseed cake and meal.

OUTLOOK

BACKGROUND.- Corn prices were placed under ceiling controls in January 1943, and prices of oats, barley, and sorghum grains in December 1943. Most of the byproduct feeds first came under control in May 1942; prices of mixed feeds, in January 1943. Alfalfa hay prices were placed under control in a few specified States in February 1943, in all States in July 1944; control was extended to include all hay in May 1945. Relatively few changes were made in maximum prices of feeds during the war. The first major upward revision in maximum prices of feeds occurred in mid-May 1946. Ceiling price increases at that time ranged from about 8 to 35 percent, depending on the kind of feed. Price controls lapsed temporarily at the end of June 1946, but passage of the Price Control Extension Act of 1946 in late July automatically brought a few kinds of feed, including hay, beet pulp, alfalfa meal, and fish meal, back under price control. On August 20, 1946, the Price Decontrol Board ordered prices recontrolled on most byproduct feeds and mixed feeds, but exempted from price control all feed grains and dairy products. Mixed feed prices were recontrolled August 26, and byproduct feeds September 3.

Most Wartime Controls Lifted on Feeds in Mid-October

Practically all remaining wartime controls on feed prices, together with most of the controls on domestic distribution and use of feeds, were removed in mid-October, following the removal of price controls on livestock and meat. The principal controls remaining on feeds on October 20 were: (1) War Food Order 66, which restricts brewers' use of grain or grain products in the manufacture of malt beverages to 90 percent of the quantity used during specified base periods; (2) WFO-141, which prohibits distillers from using grain or grain products for manufacture of alcohol or distilled spirits (unless authorized by the Administrator), and which requires at least certain quantities of feed byproducts to be recovered from the grain permitted to be processed; and (3) certain provisions of WFO-144 (pertaining to wheat feeding, particularly those prohibiting mixed feed manufacturers, except in specified areas, from using milling quality wheat in the manufacture of mixed feed). Also, limitations are still in effect on the quantity of feed grains and protein feed that may be exported from the United States.

War Food Orders which were terminated on October 17 included WFO-9, WFO-145, and certain provisions of WFO-144 (wheat). WFO-9 provided controls on the distribution and use of protein meal and soybeans (including set-asides on protein meal). [illegible] WFO-145 provided controls over the purchases and use of corn and other feed grains by feed manufacturers, feeders, food manufacturers, dry-processors, and wet-processors.

Lifting of most of the remaining wartime controls on feeds in mid-October probably will cause less readjustment in market conditions than would have occurred at almost any other time of the marketing season. Feed-grain price controls had been off since the end of June. New crop corn was beginning to move in volume in late October, and market movement of oats was large.

The termination of price controls on livestock and meat probably will result in slightly reduced feed requirements during at least the first few months of the 1946-47 feeding season. Livestock marketings have increased sharply. Feed demands will be reduced by continued heavy marketings of livestock and the less favorable position of poultrymen. But higher livestock prices may also encourage some expansion in livestock production by next spring, especially hog production. That expansion would cause an increase in feed requirements during the second half of the season, with the net result that feed requirements for the season as a whole may not be greatly different from those indicated before termination of controls.

The outlook for feed grain prices during 1946-47, as a whole, was not greatly changed by the lifting of controls. But prices of most byproduct feeds probably will be considerably higher during 1946-47 than in 1945-46, with high-protein feed prices likely to show the greatest advances. Prices of commercial mixed feeds also will be considerably higher than in 1945-46. Feed-grain prices probably will average higher during the first half of the 1946-47 feeding season than in the first half of 1945-46.

Support prices for corn during 1946-47 will average slightly higher than the average price received by farmers during most of the first six months of the 1945-46 season. Moreover, the strong commercial demand for corn for domestic purposes and for export is expected to hold corn prices moderately above support levels during much of the season. During the second half of the 1946-47 feeding season, prices of corn and other feed grains are likely to average considerably lower than in the corresponding period of 1945-46, when prices of corn, barley, and sorghum grains reached the highest levels since 1920. For the country as a whole, hay prices may average about a dollar a ton higher during the coming winter than they did a year ago.

Large Feed Supplies Assured for 1946-47

The outlook for feed supplies for the nation's livestock and for processing is materially better than in most recent years. This past growing season was the tenth consecutive season of favorable feed production, and one of the best of the ten. Total feed-concentrate supplies for the 1946-47 feeding season beginning October 1 (including feed grains, wheat and rye for feed, imported grains, oil-cake and meal, animal byproduct feeds, and mill byproduct feeds) will be smaller in volume than in the 1942 or 1943 seasons, but will be the third largest on record. The total supply per animal will be the largest on record, and considerably larger than in 1945-46.

The 1946-47 domestic supply of feed grains (corn, oats, barley, and sorghum grains), including carry-over plus new production, totals about 138 million tons on the basis of October 1 conditions, or nearly 6 million tons larger than the supply of 132 million tons of feed grains in 1945-46. This year's supply is the second largest on record. These four feed grains usually account for 80 to 85 percent of total feed concentrate supplies each season.

About 97 million tons of hay were cut this year. This production, together with a record large carry-over and large crops of rough forages, will provide a liberal roughage supply per animal. October 1 pasture conditions, while not equal to those of a year earlier, were well above average.

Feed requirements during the 1946-47 feeding season probably will be smaller than in 1945-46 becuase of fewer livestock (including poultry) to be fed. Feeding per animal is expected to be lower than the record rate of 1945-46. An important factor in last season's high rate of feeding was the low feeding value of the 1945 corn crop. This year's corn crop is of much better quality.

Reserves of feed grains at the end of 1946-47 are expected to be materially larger than the 10,1 million tons of old-crop corn, oats, and barley carried over in 1946.[1] Much of the increase will be in corn, although an increase also is expected in the carry-over of oats. However, it is likely that the barley carry-over will be reduced to an even lower level than in 1946, because of the smaller crop this year and the strong demand for barley for malting purposes.

Deficit producing areas will encounter much less difficulty in obtaining feed supplies during the coming winter and spring than during the past season. Locally-produced feed grain supplies for 1946-47 in the deficit areas are not greatly different from a year ago, but an increase is expected in the quantity of feed grains marketed from the surplus producing areas. At times during the coming winter and spring the shortage of box cars may cause trouble in getting feed moving in the quantities and to the areas desired. The rail movement of grains has recently been much below the usual amount for this time of the year.

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[1] Beginning with this issue carry-over of barley is on the basis of July 1 instead of June 1, as previously calculated and published. The combined carry-overs of corn, oats, and barley in 1946, using June 1 as the carry-over date for barley, totaled 10.3 million tons.

Table 2.-Feed balance, livestock production, and feed per unit of livestock, United States, year beginning October, 1938-46

Item	Average 1938-42	1942	1943	1944	1945 1/	1946 1/ forecast
Supply	Million tons	Million tons	Million tons	Million tons	Million tons	Million tons
Stocks beginning of crop year 2/ 3/	19.9	18.5	16.3	10.4	13.8	10.1
Production						
Corn	75.0	87.7	85.0	89.7	84.5	94.5
Oats	18.6	21.6	18.2	18.5	24.8	24.4
Barley	7.9	10.3	7.8	6.7	6.3	6.1
Sorghum grains	2.4	3.0	2.9	5.1	2.7	2.5
Total feed grains produced	103.9	122.6	113.9	120.0	118.3	127.5
Other grains fed 4/	6.8	15.1	3/ 16.0	11.1	9.4	5.4
Byproduct feeds for feed	16.2	3/ 18.6	18.8	19.3	17.7	18.5
Total supply of concentrates	146.8	174.8	165.0	160.8	159.2	161.5
Utilization						
Domestic feed grains fed	92.2	3/111.9	3/105.9	3/102.8	111.3	
Domestic wheat and rye fed	6.0	12.2	3/ 9.6	3/ 8.7	9.1	
Other grain fed	.8	2.9	6.4	2.4	.3	
Oilseed cake and meal	4.4	6.1	6.3	6.2	5.8	
Animal protein feeds	2.9	2.9	2.8	2.6	2.4	
Other byproduct feeds	8.9	9.6	9.7	3/10.5	9.5	
Total concentrates fed	115.2	3/145.6	140.7	3/133.2	138.4	125.0
Feed grains for seed, human food, industry, and export	11.7	3/ 13.1	12.5	3/15.0	13.2	17.0
Total utilization	126.9	158.7	153.2	148.2	151.6	142.0
Total utilization adjusted to crop-year basis	12 .5	158.5	3/154.6	147.0	149.1	
Stocks at end of crop year 2/ 3/	20.3	16.3	3/ 10.4	13.8	10.1	19.5
Number of grain-consuming animals units January 1 following (million)	140.3	159.6	171.1	146.2	146.5	140
Supply of all concentrates per animal unit (tons)	1.05	1.10	.96	1.10	5/ 1.09	1.15
Utilization of all concentrates for feed per animal unit January 1 following (tons)	.82	.91	.82	.91	5/ .94	.89
Livestock production, October-September, in terms of production units (million) 6/	164.0	189.5	190.4	178.8	172.0	167
Utilization of all concentrates for feed per production unit (tons)	.70	.77	.74	.75	5/ .80	.75

1/ Preliminary. Subject to change as additional data become available.
2/ Farm, terminal market, and Government-owned stocks of corn October 1, oats July 1, and barley, revised to July 1; stocks of sorghum grains not reported. 3/ Revised. 4/ Imported grain and domestic wheat and rye. 5/ No allowance made for excessive quantity of soft and wet corn of low feeding value. 6/ An animal production unit is equal to 4,237 pounds of milk, 314 pounds of hogs, live weight, 853 pounds of cattle and calves, live weight, 185 dozen eggs, 70 chickens produced, 20 turkeys produced, 116 broilers produced, 37 sheep and lambs on farms January 1, or 0.70 horse or mule on farms January 1.

Barring serious transportation difficulties, the record large production of corn this year suggests that more corn will be marketed by producers in the next 12 months than in any other season. The greater part of it will come from the Corn Belt, which usually accounts for 80 to 90 percent of all corn sold by producers. A larger than usual quantity of oats also will be marketed by producers during the coming winter and spring. On the other hand, smaller than usual quantities of barley and sorghum grains are likely to be available to livestock producers in deficit areas, because of the relatively small supplies of those grains. Wheat supplies are large, but much less wheat probably will be fed during the coming winter and spring than a year earlier. This will be primarily the result of the greater availability of feed grain, and because of the wide differential between wheat prices and feed grain prices. Only small quantities of rye are likely to be fed.

Indicated Feed Grain Production

Conditions during September and early October were mostly favorable for feed grain production. The record 1946 corn crop was largely matured by October 1, with little frost damage, and good quality is assured. This was in contrast to conditions in 1945, when much corn was late and frosts occurred early in many northern areas. As a result, much of the 1945 corn in some important producing areas was of low feeding value. Production of corn for all purposes this year was estimated, on the basis of October 1 conditions, at 3,374 million bushels, 171 million bushels more than the previous record of 3,203 million in 1944, and 356 million more than were produced last year.

Indicated production of corn to be harvested as grain this year is 3,057 million bushels, or nearly 91 percent of the estimated total production of all corn. This harvest of grain would be 358 million bushels more than last year, and the largest corn grain harvest on record.

Oats production this year was indicated on October 1 at 1,527 million bushels, only 1 percent below the record production in 1945, and more than a third larger than the 1935-44 average. As usual, most of the production is in the 12 North Central States, amounting this year to nearly 83 percent of the total for the entire country.

On the basis of October 1 reports, the 1946 barley crop was estimated at 255 million bushels, 3 percent less than in 1945, and the smallest crop since 1937. However, this year's crop is one of the best-quality crops in recent years.

Table 3.-Feed-grain production by regions, 1945-46

Geographic division	Corn	Oats	Barley	Sorghum grains	Total
	1945				
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 tons
North Atlantic..........	98,246	51,133	5,702	----	3,706
East North Central......	976,013	487,731	9,794	29	35,368
West North Central......	1,307,980	810,476	121,553	18,379	53,023
South Atlantic..........	209,093	47,245	5,461	50	6,743
South Central...........	397,065	99,839	9,434	68,548	14,861
Western.................	30,013	51,239	112,017	8,593	4,589
Total...............	3,018,410	1,547,663	263,961	95,599	118,290
	1946 1/				
North Atlantic..........	103,138	70,920	7,187	--	4,195
East North Central......	1,100,883	506,654	11,081	30	39,198
West North Central......	1,545,450	754,296	113,480	13,701	58,449
South Atlantic..........	201,462	49,635	6,297	25	6,587
South Central...........	397,300	93,858	8,414	66,005	14,676
Western.................	26,195	51,753	108,876	8,423	4,410
Total...............	3,374,428	1,527,116	255,335	88,184	127,515

1/ October 1 indications.

Table 4.-Hay supplies by regions, 1939-46 1/

Geographic division	Average 1939-43	1943	1944	1945	1946 2/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
North Atlantic..........	13,458	15,236	13,642	14,844	15,302
East North Central......	23,622	23,396	21,472	23,618	22,561
West North Central......	30,693	32,363	32,553	33,923	31,238
South Atlantic..........	6,312	6,701	6,016	7,021	7,563
South Central...........	13,085	12,979	12,090	14,499	14,596
Western.................	21,885	22,306	22,457	23,172	22,262
Total United States....	109,055	112,981	108,230	117,077	113,522

1/ Production plus farm stocks May 1.

2/ Production indicated October 1 plus farm stocks May 1.

September brought considerable improvement in prospects for sorghum grain production. Production of all sorghums for grain was forecast on the basis of October 1 conditions at 88 million bushels, an increase of 9 million bushels over the indicated production a month earlier, but 8 percent less than in 1945, and the smallest since 1940.

Feed Grain Supplies on October 1 Larger Than Year Earlier

On October 1 the combined supplies of corn, oats, and barley on farms and at terminal markets, plus sorghum grain production, totaled 124.8 million tons, 2.5 percent more than on October 1, 1945, even with the small corn carry-over . Assuming that the number of grain-consuming animal units on farms next January 1 will be 4 to 5 percent less than on January 1, 1946, the supply of feed grains on October 1 was equal to about .89 ton per animal unit compared with .83 ton a year earlier, and the 1939-43 average of .79 ton.

The 1946-47 supply of corn, as indicated on October 1, is 3,538 million bushels, 212 million more than a year earlier, and 206 million bushels larger than the 1939-43 average. The 1946-47 supply is made up of the small carry-over of 158 million bushels of old-crop corn on farms and 5 million bushels at terminal markets on October 1, plus this year's record production of about 3,374 million bushels. Terminal market stocks of corn on October 1 were the second smallest for that date since 1936, the only smaller stocks being recorded in 1945. Compared with a year ago, supplies of corn are larger in the North Central and North Atlantic regions, but slightly smaller in the South Atlantic, South Central, and Western regions.

Stocks of oats on October 1 on farms and at terminal markets totaled 1,192 million bushels, 143 million less than a year earlier, but the second largest for that date on record. Stocks of oats were smaller than a year ago throughout practically the entire country except the North Atlantic region. They were, however, larger in most regions than the 1944 stocks, and were materially above average in most sections, particularly in the surplus producing areas.

Stocks of barley on farms and at terminal markets on October 1 totaled 173 million bushels, 116 million less than on October 1, 1945, and the smallest quantity on hand at that time of year since 1939, the earliest year for which estimates of October 1 farm stocks have been made. Barley supplies on farms were larger on October 1 than a year earlier in the important barley-producing States of Minnesota, California, and Montana, but smaller in other important producing States.

In addition to the stocks on farms and at terminal markets, 57 million bushels were held at interior mills, elevators, and warehouseson October 1.

Table 5 .- October 1 supplies of feed grain, by regions, average 1939-43, 1944, 1945, and 1946

Geographic division	Corn 1/	Oats 2/	Barley 2/	Sorghum grain 3/	Total
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 tons
	Average 1939-43				
North Atlantic	100,813	53,240		---	
East North Central	1,050,062	297,867		51	
West North Central	1,513,173	511,767		23,042	
South Atlantic	206,059	17,407		5	
South Central	425,071	51,562		57,877	
Western	32,000	44,982		10,795	
Total	3,332,178	976,825	4/271,122	91,770	4/118,007
	1944				
North Atlantic	98,099	54,142	4,747	---	3,727
East North Central	955,955	281,452	14,888	27	31,628
West North Central	1,733,868	486,028	112,370	55,450	60,586
South Atlantic	204,248	23,422	3,356	60	6,188
South Central	392,146	63,314	10,418	109,817	15,318
Western	33,627	50,256	64,673	16,188	3,751
Total	3,417,943	958,614	211,452	181,542	121,198
	1945				
North Atlantic	104,616	53,790	4,858	---	3,906
East North Central	1,039,733	423,462	13,288	29	36,208
West North Central	1,496,815	722,716	101,506	18,379	56,425
South Atlantic	228,621	25,823	3,584	50	6,902
South Central	424,550	65,606	5,654	68,548	14,992
Western	31,906	43,089	60,651	8,593	3,279
Total	3,326,241	1,334,486	189,541	95,599	121,712
	1946				
North Atlantic	111,177	68,450	6,162	---	4,356
East North Central	1,150,872	397,871	11,865	30	38,876
West North Central	1,610,439	612,139	92,967	13,701	57,501
South Atlantic	217,054	24,004	3,717	25	6,552
South Central	420,726	50,236	4,438	66,005	14,539
Western	27,502	39,241	54,224	8,423	2,935
Total	3,537,770	1,191,941	173,373	88,184	124,759

1/ October 1 farm and terminal market stocks plus corn owned by the Government, plus production.

2/ October 1 farm and terminal market stocks.

3/ Production.

4/ Not available by regions.

Disappearance of Feed Grain During July-September

The combined disappearance of corn, oats, and barley during the July-September quarter amounted to 23.2 million tons, 2 percent more than in the corresponding quarter of 1945. Contributing importantly to the relatively heavy disappearance of feed grain during July-September was the continued high rate of feeding, despite good pastures and forage in most areas. Also, some "filling of pipelines" from producer to consumer probably occurred. Summer feeding of grain and other concentrates to milk cows was very liberal. In herds kept by crop reporters the quantity of concentrates fed per milk cow on August 1 averaged 3.24 pounds (3.39 pounds on August 1, 1945), and on October 1 it averaged 3.64 pounds (3.59 on October 1, 1945). The rate of egg production per layer was lower, however, in July-September than during the corresponding period of 1945, and there were 7 percent fewer potential layers on farms September 1 than a year earlier. Hogs continued to be fed to relatively heavy weights.

The domestic disappearance of corn during July-September was 18 percent less than in the corresponding quarter of 1945, reflecting the small quantity of corn available during that period, the governmental restrictions on use of corn, and the relative abundance of other grain and green feed. Comparatively small receipts of corn at primary markets during the quarter were indicative of the small supplies and the reduced rate of disappearance. The carry-over of old-crop corn on farms and at terminal markets on October 1 was down to the lowest level since the extremely small carry-over in 1937, following the two serious droughts of 1934 and 1936.

The domestic disappearance of corn for the entire 1945-46 crop year totale about 3,146 million bushels. Net exports are estimated to have been about 17 million bushels, making a total disappearance for all purposes for the season of 3,163 million. This disappearance was 2 percent larger than that of the 1944-45 season. Much of the increase is attributed to the lower feeding value of the 1945 crop. Of the total disappearance during 1945-46, it is estimated that approximately 8 percent was utilized for seed, food, industrial purposes, and for export, and 92 percent fed.

Utilization of corn for food and industrial purposes and for export durin the 1946-47 season probably will be considerably larger than in 1945-46, but the quantity fed to livestock is expected to be smaller, chiefly because of the higher feeding value of this year's corn. Carry-over on October 1, 1947, probably will show a substantial increase over the low level reached this year.

Disappearance of oats during the July-September quarter amounted to about 616 million bushels. This was 43 percent larger than in the July-September quarter of 1945, and 53 percent above the average disappearance for that quarter during the 5 years before that. The very large disappearance in July-September this year reflects to a great extent the necessity of livestock producers for substituting oats for corn and other feed grains, especially when corn and sorghum grain supplies were at the low point of the season. Livestock producers may feed greater quantities of oats in coming years than in most earlier years, after their rather satisfactory oats feeding experiences in two seasons.

Indicative of the heavy disappearance of oats during the summer quarter this year were the heavier-than-usual receipts of oats at primary markets. Receipts at 12 primary markets during the three months this year totaled 82 millior bushels compared with an average of 42 million for the period during 1940-44.

Table 6.-Production and stocks of specified byproduct feeds, October-August, 1944-46

Item	October-August 1944-45	October-August 1945-46	1945 July	1945 August	1946 July	1946 August
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Production						
Cottonseed cake and meal	1,807.1	1,308.2	54.4	54.9	18.2	38.0
Soybean cake and meal ...	3,408.5	3,606.4	307.6	301.8	311.0	287.0
Linseed cake and meal ...	403.7	519.5	23.4	32.5	63.4	47.9
Peanut cake and meal	89.5	78.1	6.1	5.7	5.7	2.3
Copra cake and meal	39.4	54.9	1.8	4.2	7.1	10.7
Corn gluten feed and meal	811.1	703.7	68.4	48.6	1/ 64.6	1/ 70.1
Brewers' dried grains ...	196.6	193.0	21.2	20.8	18.1	16.4
Distillers' dried grains	604.6	309.8	53.5	55.4	20.1	16.9
Wheat millfeeds	5,435.2	4,374.7	506.6	523.7	328.5	364.8
Rice millfeeds	135.4	136.9	3.7	4.3	2.8	5.1
Alfalfa meal	833.1	1,133.6	131.2	128.1	191.6	135.7
Fish cake and meal	175.4	152.6	23.1	31.7	29.1	29.1
Dry or powdered skim milk	8.7	7.5	1.1	.8	1.0	.7
Stocks end of period						
Cottonseed cake and meal	40.7	27.8	52.3	40.7	32.4	27.8
Peanut cake and meal	.9	1.1	1.9	.9	1.7	1.1
Brewers' dried grains ...	3.4	2.2	3.5	3.4	2.5	2.2
Distillers' dried grains	2.8	4.3	4.1	2.8	3.4	4.3
Alfalfa meal	73.8	126.9	55.3	73.8	97.6	126.9

Compiled as follows: Cottonseed cake and meal and wheat millfeeds, Bureau of the Census; soybean and linseed cake and meal, Grain Branch, Production and Marketing Administration, derived from Census crushings reports; brewers' and distillers' dried grains, copra cake and meal, rice millfeeds, and alfalfa meal, Production and Marketing Administration; gluten feed and meal derived from reports of the Corn Industries Research Foundation; fish cake and meal from Fish and Wildlife Service, Department of the Interior.

1/ Preliminary.

Estimates of July 1 farm stocks of barley are available only for the period since 1934, and October 1 stocks only since 1939. Total disappearance of barley during July-September was relatively small, amounting to 125 million bushels. This was 13 percent smaller than in the corresponding quarter of 1945. and 8 percent below the 1940-44 average. Production of barley malt during the three-month period this year amounted to around 20 million bushels, against 25 million for the corresponding 3 months of 1945. Receipts at 4 principal terminal markets were 49 million bushels, 7 percent below receipts for that quarter of 1945. With the relatively small stocks of barley on hand October 1, it is expected that smaller quantities of that grain will be fed during the coming winter and spring than a year ago. But with increased use expected for malting, carry-over next July 1 is likely to be even smaller than the low level of 43 million bushels on July 1 this year.

Production and Distribution of Byproduct Feeds

Byproduct feed production during the first 11 months of the 1945-46 season beginning October was 10.5 percent smaller, in total, than for the corresponding period of 1944-45. Output of grain mill-byproduct feeds was down 19 percent, with the greatest declines occurring in wheat millfeeds, distillers' dried grains, and gluten feed and meal. Production of alfalfa meal was nearly a third larger, however, than a year earlier. Production of oilseed cake and meal was 3 percent smaller than a year earlier, with decreases in output of cottonseed cake and meal more than offsetting increased production of soybean and linseed cakes and meals.

United States distribution of the four principal oilseed cakes and meals during the July-September quarter this year amounted to slightly more than a million tons, compared with nearly 1.3 million in the corresponding quarter of 1945, and with about 1.2 million during the April-June quarter this year. Distribution each month in July and August was at the fairly high level of more than 350,000 tons, but the quantity distributed during September declined to an estimated 307,000 tons.

Cottonseed cake and meal distribution was small in June, July, and August, but increased seasonally during September. A fairly sharp reduction occurred last May and June in the quantity of soybean cake and meal distributed. That decline continued during each of the following three months, with distribution during September dropping to the comparatively low level of about 190,000 tons. In September 1945 about 453,000 tons of soybean cake and meal were distributed.

Larger quantities of linseed cake and meal were distributed in July and August than during any of the months from February through June. But distribution during September was considerably smaller than during the previous two months. Peanut cake and meal distribution declined substantially during the third quarter this year compared with earlier months of 1946. The total quantity distributed during the entire quarter amounted to only about as much as in January or February

Table 7.-United States distribution of specified oilseed cake and meal by processors, July-September 1946 1/

Item	North Atlantic	East North Central	West North Central	South Atlantic	South Central	Western	Total United States
	Tons	Tons	Tons	Tons	Tons	Tons	Tons
July							
Cottonseed	1,790	1,520	5,377	3,072	13,352	805	25,916
Soybean	48,878	85,369	66,936	17,763	28,864	21,812	269,622
Linseed	16,299	7,220	14,212	2,907	3,837	11,331	55,806
Peanut	---	180	60	3,228	2,702	120	6,290
Total	66,967	94,289	86,585	26,970	48,755	34,068	357,634
August							
Cottonseed	1,551	225	2,321	5,072	24,312	1,767	35,248
Soybean	48,787	84,694	61,584	17,683	29,424	24,601	266,773
Linseed	12,958	13,931	14,380	1,269	1,442	10,058	54,038
Peanut	---	130	---	2,172	1,020	30	3,352
Total	63,296	98,980	78,285	26,196	56,198	36,456	359,411
September							
Cottonseed	30	114	1,874	19,750	52,340	3,953	78,061
Soybean	29,077	69,664	52,739	9,374	18,122	11,247	190,223
Linseed	5,405	8,117	15,817	183	172	6,681	36,375
Peanut	30	---	---	1,618	393	---	2,041
Total	34,542	77,895	70,430	30,925	71,027	21,881	306,700
July-September Total							
Cottonseed	3,371	1,859	9,572	27,894	90,004	6,525	139,225
Soybean	126,742	239,727	181,259	44,820	76,410	57,660	726,618
Linseed	34,662	29,268	44,409	4,359	5,451	28,070	146,219
Peanut	30	310	60	7,018	4,115	150	11,683
Total	164,805	271,164	235,300	84,091	175,980	92,405	1,023,745

Compiled from records of the Grain Branch, Production and Marketing Administration

1/ Preliminary. For comparative data see the March 1945, May 1945, August 1945, and July 1946 issues of The Feed Situation.

Table 8.-Corn: Government loan rates, prices received by farmers, and quantity of corn placed under loan, United States, 1933-46

(Data for cover page)

Year beginning October	Average price per bushel 1/	Loan rate per bushel 2/	Quantity placed under loan
	Cents	Cents	Million bushels
1933	52.2	45	268
1934	81.5	55	20
1935	65.5	45	31
1936	104.4	55	3/
1937	51.8	50	47
1938	48.6	57	230
1939	56.8	57	302
1940	61.8	61	103
1941	75.1	73.0	111
1942	91.7	77.3	57
1943	112.0	84.2	8
1944	109.0	89.3	21
1945	127.0	92.4	3
1946		4/ 115.2	

1/ Season average, weighted by production.

2/ Flat loan rate for all eligible producers during the crop years 1933 through 1940. During the years 1941 through 1945 the loan rate varied by counties. The rates for these years are the average loan value per bushel of corn sealed during each marketing year.

3/ 158,000 bushels.

4/ 90 percent of parity as of September 15, 1946. Actual loan rate not yet announced.

Table 9 .-Feed grains: Receipts at primary markets, August-September, 1944-45, and July - September 1946

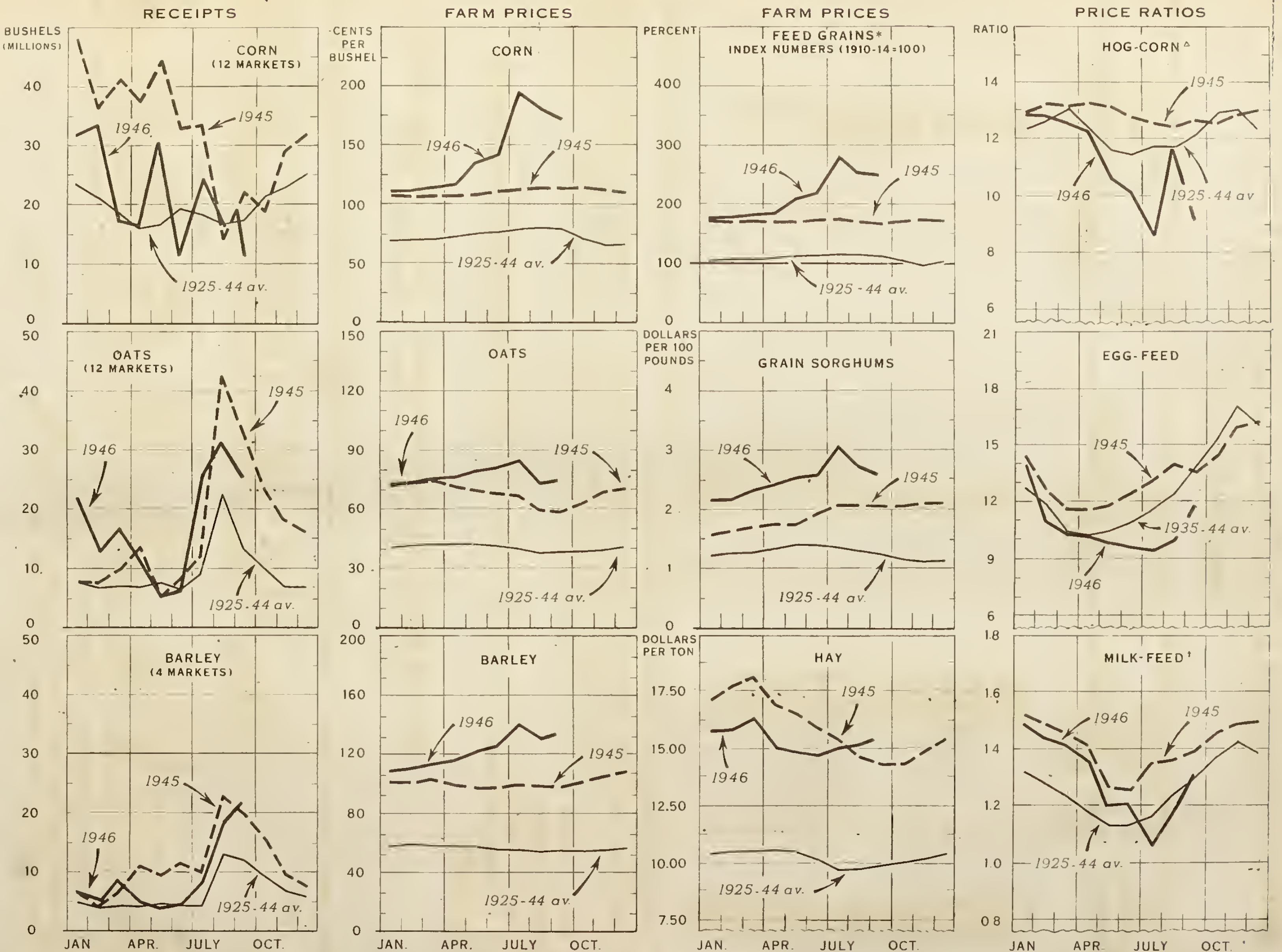
Item	1944		1945		1946		
	Aug.	Sept.	Aug.	Sept.	July	Aug.	Sept.
	1000 bu.	1000 bu.	1000 bu.	1000 bu.	1000 bu.	1000 bu.	1000 bu.
Corn, 12 markets 1/	11,454	12,124	14,031	22,104	24,122	16,352	11,449
Oats, 12 markets 1/	24,193	19,971	42,614	32,669	25,692	31,035	25,361
Barley, 4 markets 2/	12,921	21,515	22,598	19,931	8,284	18,250	22,046

Compiled from reports of the Grain Branch, Production and Marketing Administration.

1/ Chicago, Milwaukee, Minneapolis, Duluth, St. Louis, Kansas City, Peoria, Omaha, Indianapolis, Milwaukee, Chicago, and Duluth.

2/ Minneapolis, Milwaukee, Chicago, and Duluth.

MARKET RECEIPTS, PRICES OF SPECIFIED FEEDS, AND LIVESTOCK-FEED PRICE RATIOS



*CORN, OATS, AND BARLEY △BASED ON PRICES RECEIVED BY FARMERS
†MILK-FEED PRICE RATIO INCLUDES DAIRY PRODUCTION PAYMENTS FROM OCTOBER 1943 THROUGH JUNE 1946

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